

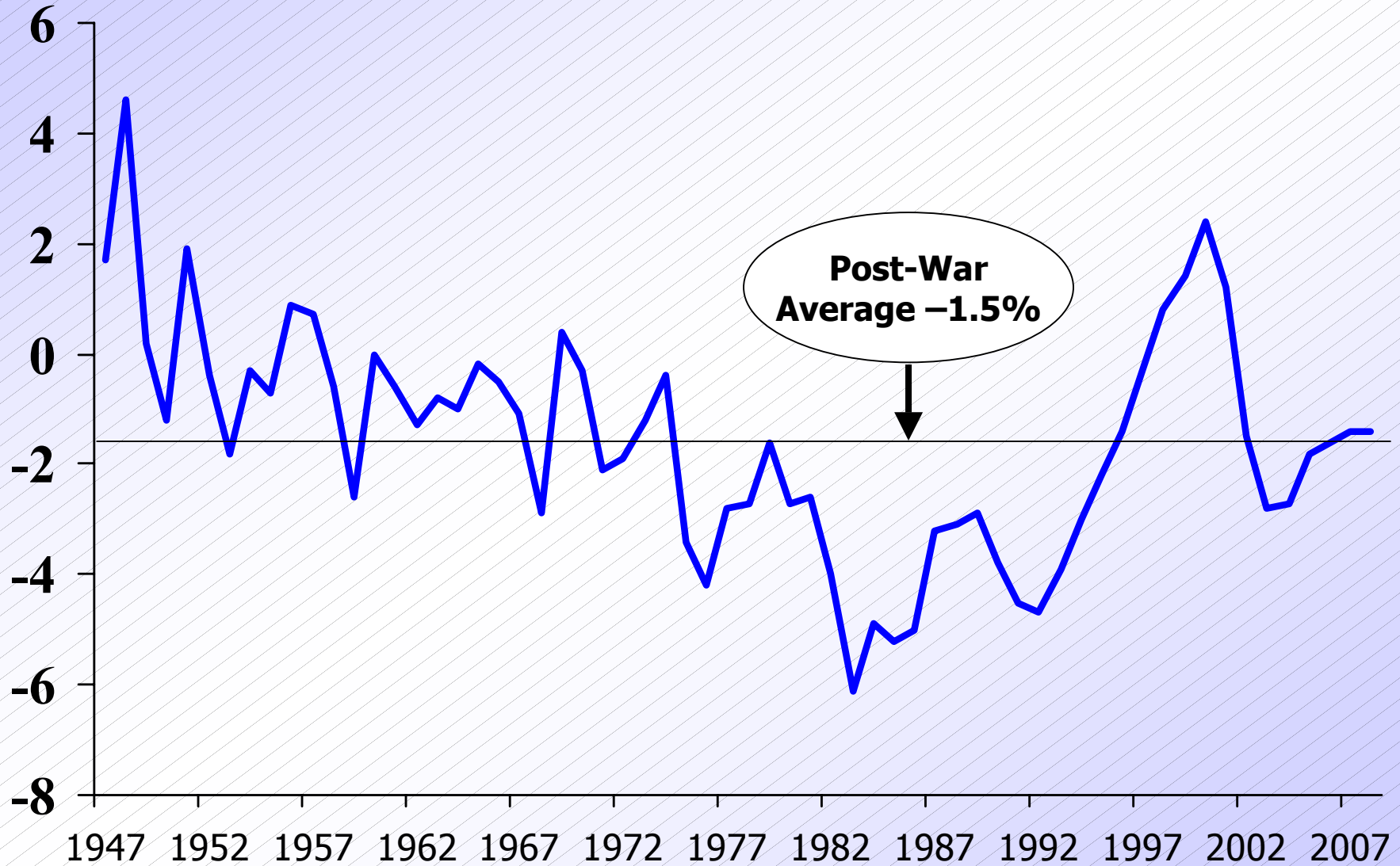
President's Budget Request for Fiscal Year 2004

(By fiscal year in billions of dollars)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2004-08</u>
Receipts	1,836	1,922	2,135	2,263	2,398	2,521	11,239
Outlays	<u>2,140</u>	<u>2,229</u>	<u>2,343</u>	<u>2,464</u>	<u>2,576</u>	<u>2,711</u>	<u>12,323</u>
Deficit	-304	-307	-208	-201	-178	-190	-1,084

Surplus or Deficit As a Share of GDP

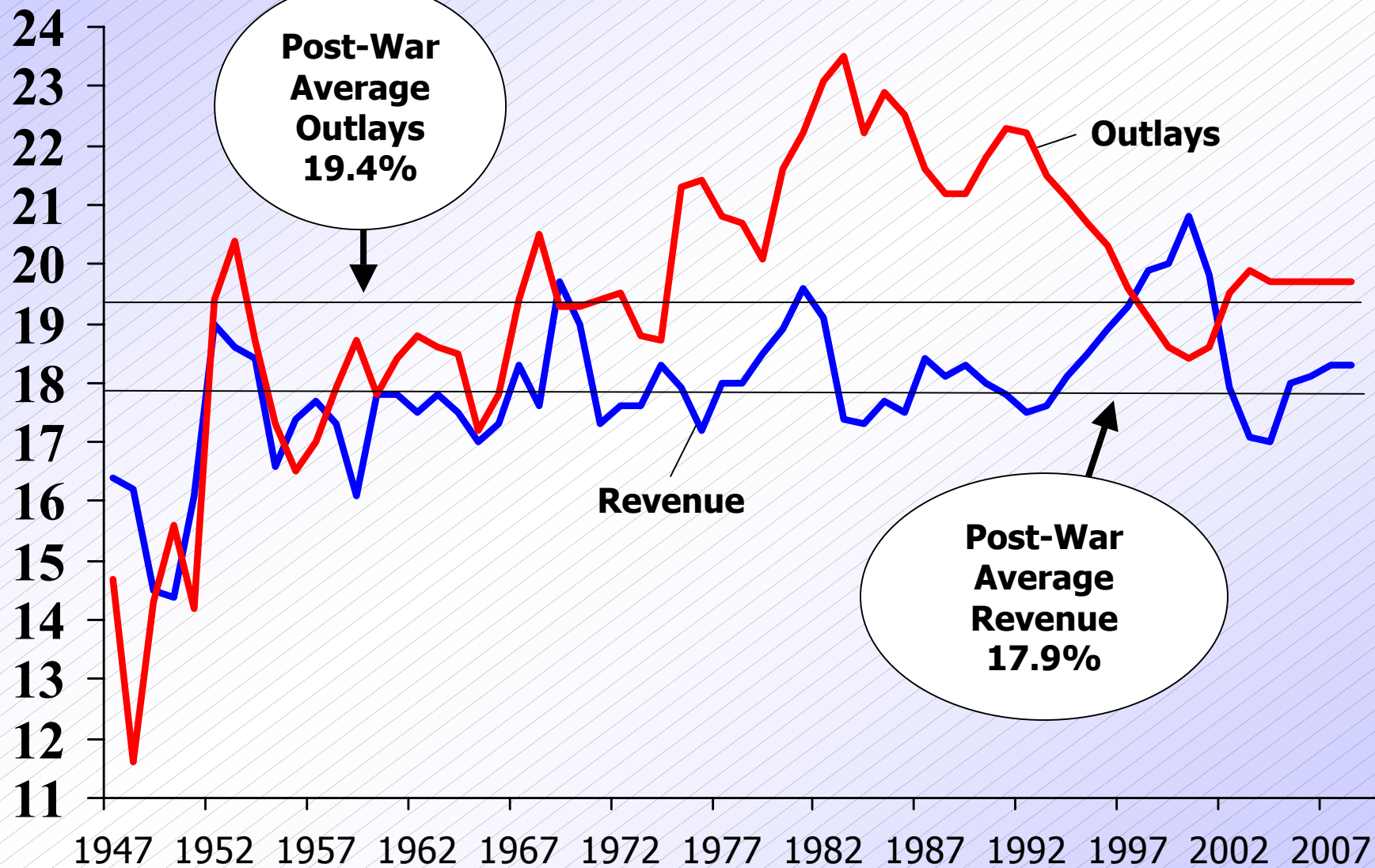
Percent of GDP



Prepared by the House Budget Committee based on OMB data.

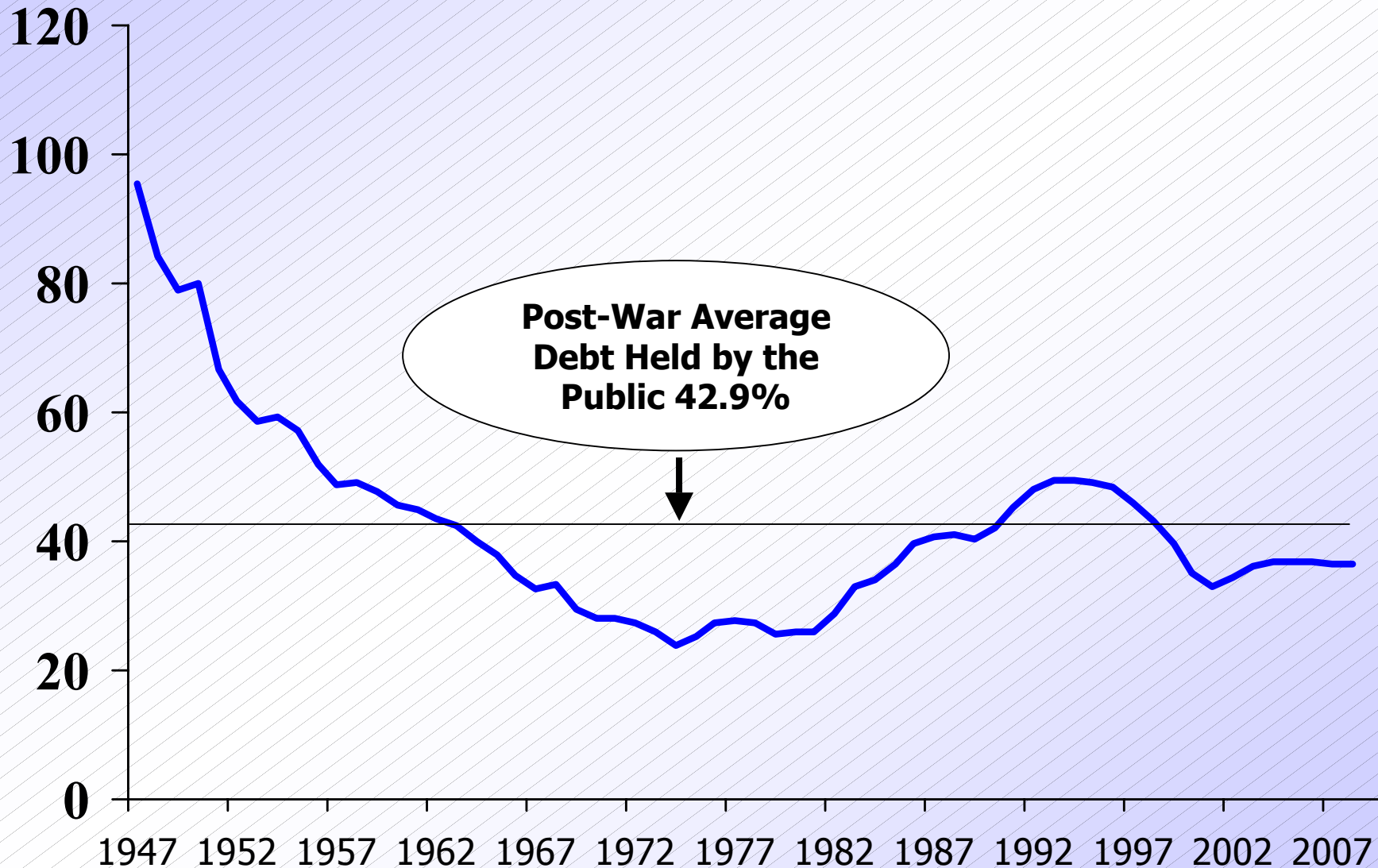
Revenue and Outlays As A Share of GDP

Percent of GDP



Debt Held by the Public As A Share of GDP

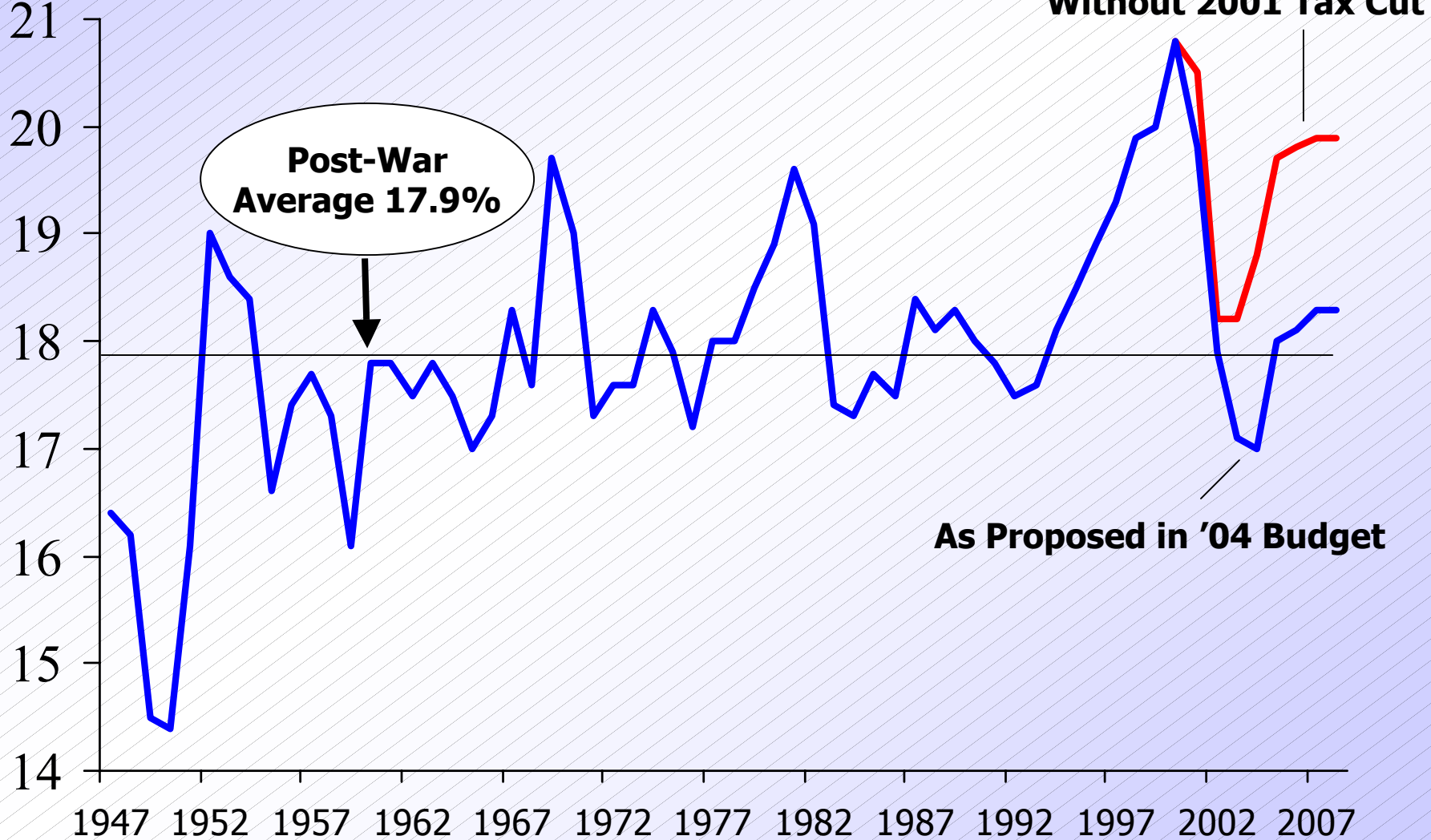
Percent of GDP



Prepared by the House Budget Committee based on OMB data.

Tax Relief Only Returns Tax Burden to Historical Average

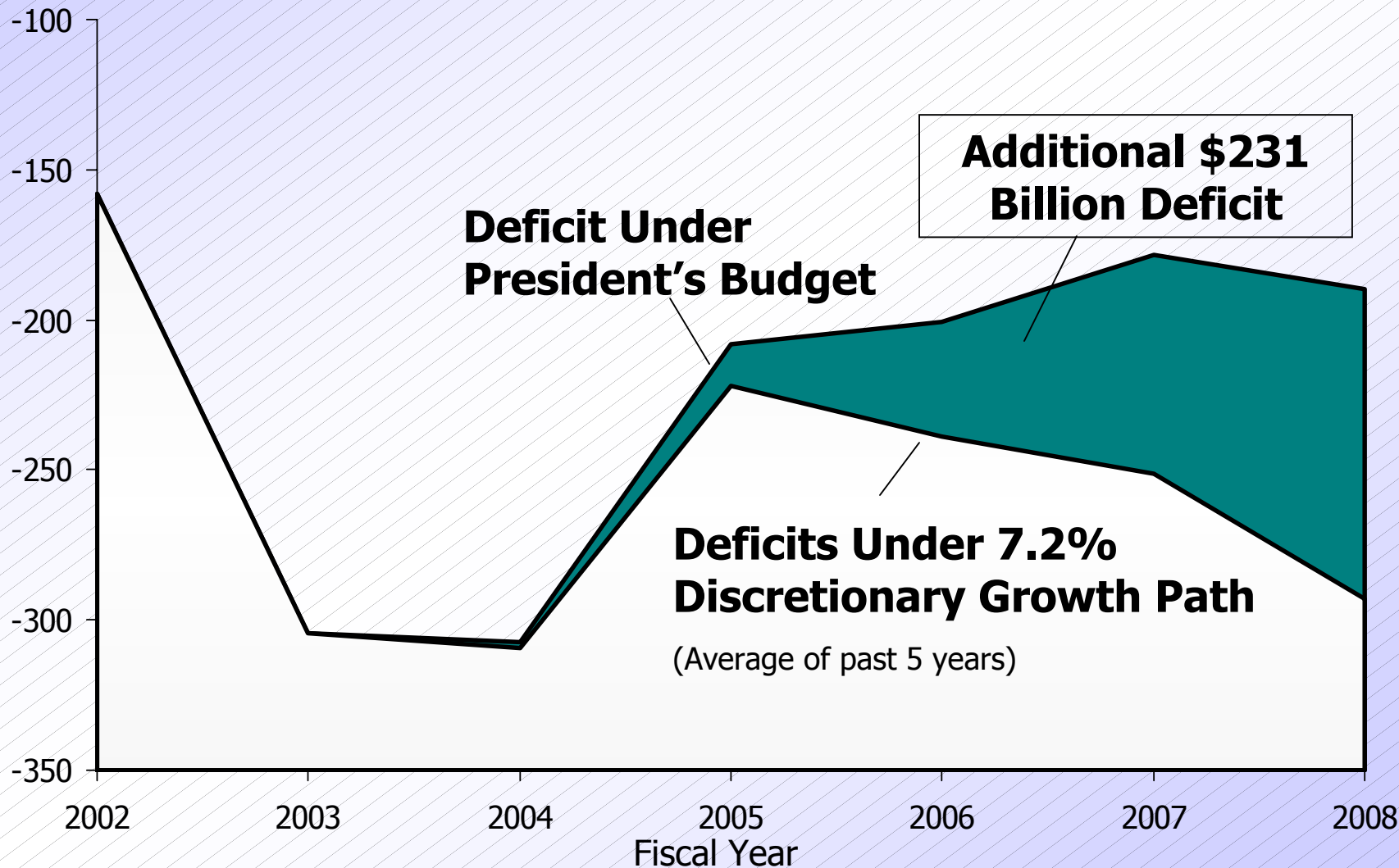
Percent of GDP



Prepared by the House Budget Committee based on OMB data.

Deficits Deepen without Spending Restraint

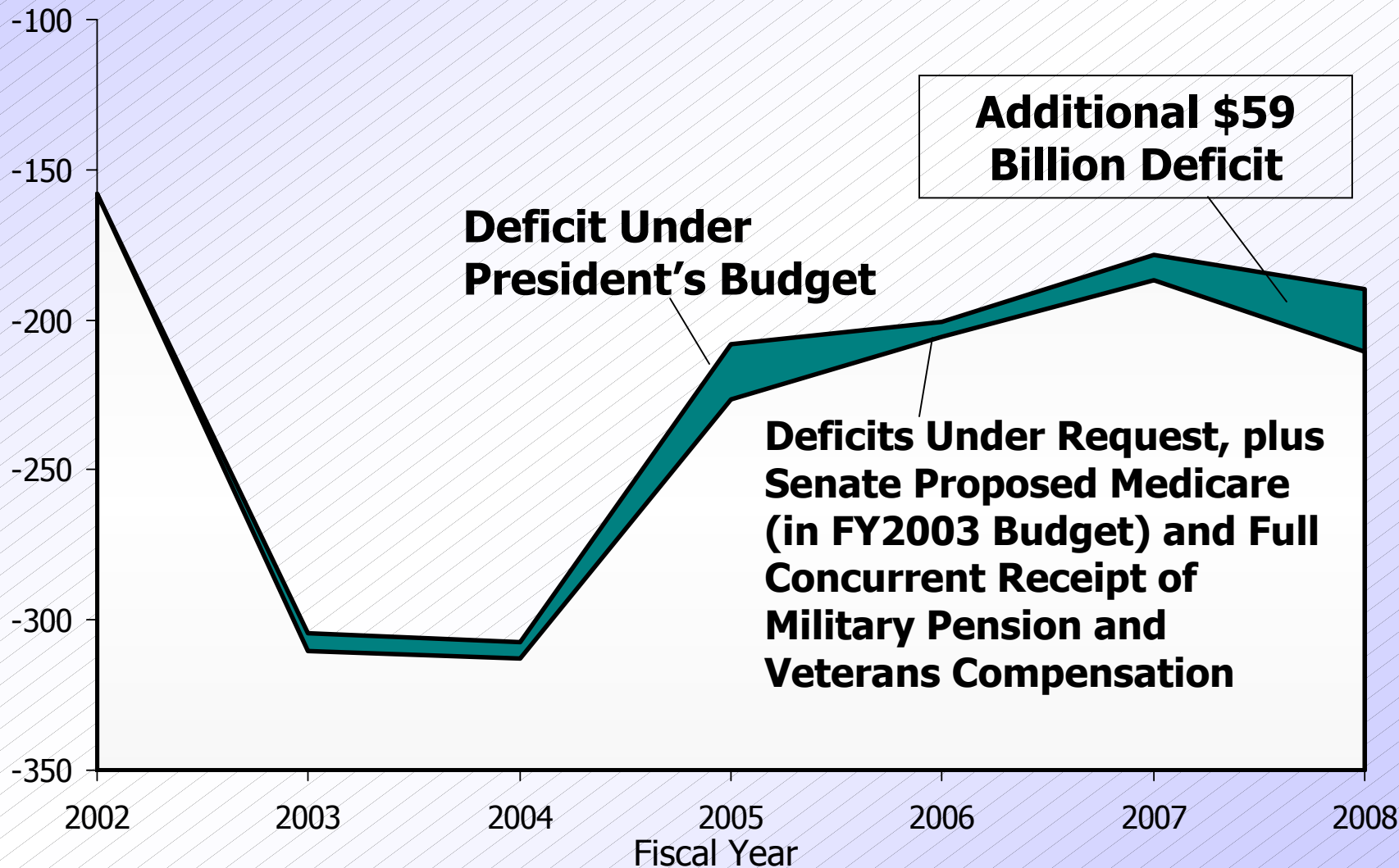
Billions of dollars



Prepared by the House Budget Committee based on OMB Data.

Deficits Deepen without Spending Restraint

Billions of dollars



**Additional \$59
Billion Deficit**

**Deficit Under
President's Budget**

**Deficits Under Request, plus
Senate Proposed Medicare
(in FY2003 Budget) and Full
Concurrent Receipt of
Military Pension and
Veterans Compensation**

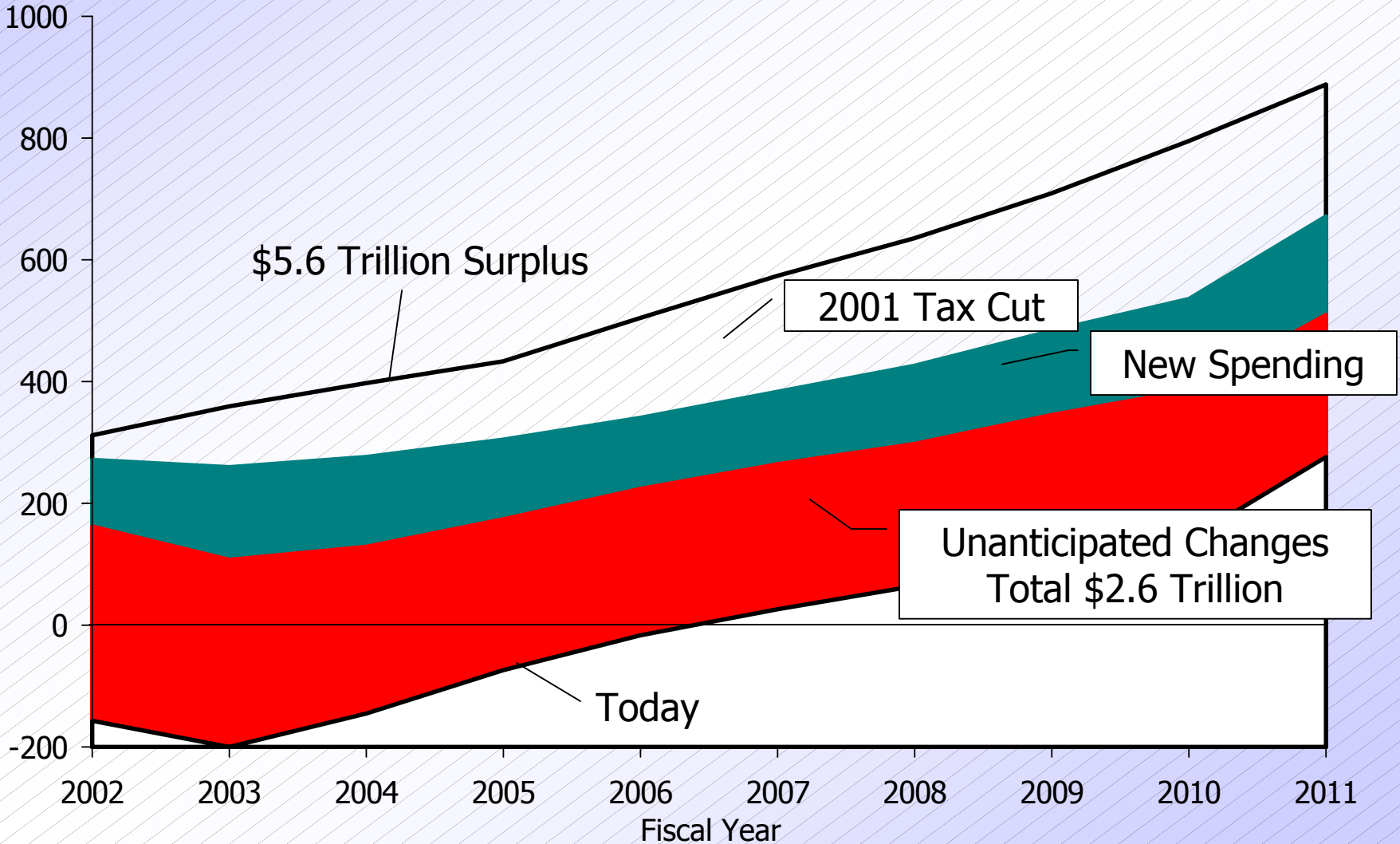
Economic Assumptions Comparisons

	2003	2004	Average 2003-2008
REAL GDP			
	<i>Year over Year Percent Change</i>		
Administration	2.9	3.6	3.3
CBO	2.5	3.6	3.2
Blue Chip	2.8	3.6	3.2
UNEMPLOYMENT RATE			
	<i>Annual Averages, Percent</i>		
Administration	5.7	5.5	5.3
CBO	5.9	5.7	5.5
Blue Chip	5.9	5.5	5.4
INTEREST RATES (10 Year Treasury Note)			
	<i>Annual Averages, Percent</i>		
Administration	4.2	5.0	5.2
CBO	4.4	5.2	5.4
Blue Chip	4.4	5.2	5.4

Sources: CBO, OMB, Blue Chip Economic Indicators.

Factors Beyond Our Control Responsible For Surpluses Becoming Deficits

Billions of dollars



Prepared by the House Budget Committee based on CBO data.

Budget Deficits and Interest Rates

